

# EUROPEAN PARLIAMENT

2004



2009

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*Committee on Agriculture and Rural Development*

**2008/0104(CNS)**

27.6.2008

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## **DRAFT REPORT**

on the proposal for a Council regulation on modifications to the common agricultural policy by amending Regulations (EC) No 320/2006, (EC) No 1234/2007, (EC) No 3/2008 and (EC) No [...]/2008  
(COM(2008)0306 – C6-0241/2008 – 2008/0104(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Luis Manuel Capoulas Santos

### ***Symbols for procedures***

- \* Consultation procedure  
*majority of the votes cast*
- \*\*I Cooperation procedure (first reading)  
*majority of the votes cast*
- \*\*II Cooperation procedure (second reading)  
*majority of the votes cast, to approve the common position*  
*majority of Parliament's component Members, to reject or amend the common position*
- \*\*\* Assent procedure  
*majority of Parliament's component Members except in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty*
- \*\*\*I Codecision procedure (first reading)  
*majority of the votes cast*
- \*\*\*II Codecision procedure (second reading)  
*majority of the votes cast, to approve the common position*  
*majority of Parliament's component Members, to reject or amend the common position*
- \*\*\*III Codecision procedure (third reading)  
*majority of the votes cast, to approve the joint text*

(The type of procedure depends on the legal basis proposed by the Commission.)

### ***Amendments to a legislative text***

In amendments by Parliament, amended text is highlighted in ***bold italics***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). Suggested corrections of this kind are subject to the agreement of the departments concerned.

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## **DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION**

**on the proposal for a Council regulation on modifications to the common agricultural policy by amending Regulations (EC) No 320/2006, (EC) No 1234/2007, (EC) No 3/2008 and (EC) No [...] /2008  
(COM(2008)0306 – C6-0241/2008 – 2008/0104(CNS))**

### **(Consultation procedure)**

*The European Parliament,*

- having regard to the Commission proposal to the Council (COM(2008)0306),
  - having regard to Articles 36 and 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0241/2008),
  - having regard to Rule 51 of its Rules of Procedure,
  - having regard to the report of the Committee on Agriculture and Rural Development (A6-0000/2008),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
  3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
  4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
  5. Instructs its President to forward its position to the Council and Commission.

### **Amendment 1**

#### **Proposal for a regulation – amending act**

#### **Recital 3**

*Text proposed by the Commission*

(3) In respect of cereals the system should be modified to ensure competitiveness and market orientation for the sector while keeping the role of intervention as a safety net in case of market disruptions and facilitating farmers' response to market conditions. The Council Conclusions on

*Amendment*

(3) In respect of cereals the system should be modified to ensure competitiveness and market orientation for the sector while keeping the role of intervention as a safety net in case of market disruptions and facilitating farmers' response to market conditions. The Council Conclusions on

the reform of the intervention system for maize provided for a review of the whole cereals intervention system in the context of the Health Check, based on an analysis which indicated a certain risk for additional barley intervention if prices were low. The present outlook for cereals has however since changed significantly, and is characterised by a favourable world market price environment driven by expanding world demand and low global cereal stocks. Within this context, setting intervention levels to zero for other feed grains in the same time frame as the maize reform would allow for intervention without having negative implications for the cereals market as a whole. The outlook for the cereals sector also applies for durum wheat, meaning that buying into intervention could be abolished since it has lost its relevance with market prices always significantly above the intervention price. Since intervention for cereals is to be a safety net *rather than an element which influences price formation, the differences in harvesting periods across Member States, which effectively start the marketing campaigns, are not longer relevant since the system will no longer provide for prices reflecting intervention levels plus monthly increments. In the interests of simplification the dates for cereals intervention should therefore be harmonised across the Community.*

the reform of the intervention system for maize provided for a review of the whole cereals intervention system in the context of the Health Check, based on an analysis which indicated a certain risk for additional barley intervention if prices were low. The present outlook for cereals has however since changed significantly, and is characterised by a favourable world market price environment driven by expanding world demand and low global cereal stocks. Within this context, setting intervention levels to zero for other feed grains in the same time frame as the maize reform would allow for intervention without having negative implications for the cereals market as a whole. The outlook for the cereals sector also applies for durum wheat, meaning that buying into intervention could be abolished since it has lost its relevance with market prices always significantly above the intervention price. Since intervention for cereals is to be a safety net, *intervention should only be opened during the last months of the marketing year.*

Or. fr

#### *Justification*

*Opening a few months before the end of the marketing year will serve to prevent speculation whilst retaining the safety-net function of intervention.*

## Amendment 2

### Proposal for a regulation – amending act Recital 5

*Text proposed by the Commission*

(5) Pigmeat production and consumption are projected to increase over the medium term, though at a slower pace than in the past decade, due to the competition from poultry meat and higher feed prices. Pig prices are expected to remain significantly above the intervention price. Buying into intervention has not been used for many years for pigmeat and in the light of the market situation and its perspectives, ***should be abolished.***

*Amendment*

(5) Pigmeat production and consumption are projected to increase over the medium term, though at a slower pace than in the past decade, due to the competition from poultry meat and higher feed prices. Pig prices are expected to remain significantly above the intervention price. Buying into intervention has not been used for many years for pigmeat and in the light of the market situation and its perspectives, ***the principle of intervention should be maintained, in order to preserve the safety net - since a market reversal for health or other reasons can never be excluded - but intervention should be reduced to 0 tonnes.***

Or. fr

## Amendment 3

### Proposal for a regulation – amending act Recital 6

*Text proposed by the Commission*

***(6) The abolition of intervention for these products may safely be carried out in 2009 since the current market situation and perspectives suggest that intervention would not, in any case, be applicable for them in 2009.***

*Amendment*

***Deleted***

Or. fr

#### Amendment 4

#### Proposal for a regulation – amending act Recital 6 a (new)

*Text proposed by the Commission*

*Amendment*

***(6a) Agenda 2000 provided for a 2.4% increase in the total EU milk reference quantities. This took the form of, on the one hand, specific national increases for Italy, Spain, Greece, Republic of Ireland and Northern Ireland over a two year period from 2000/01 to 2001/02 and, on the other hand, a 1.5% linear increase in milk quotas over three years from 2006/07 to 2008/09 for all Member States not receiving specific quota increases. In its June 2003 compromise, the Council agreed that the existing milk quota regime should be extended further until 2014/15. Furthermore, Greece was granted a quota increase of 120,000 tonnes and the Azores were granted an increase of 50,000 tonnes from 2005/06 onwards (reduced from an additional 73,000 tonnes in 2003/04 and 61,500 tonnes in 2004/05). An additional 2 % quota increase for the EU-27 has been agreed for the 2008/09 milk quota year.***

Or. en

#### *Justification*

*The proposed quota increases are part of historical development which should have its place in the recitals of the Health Check proposal.*



## Amendment 5

### Proposal for a regulation – amending act Recital 8

#### *Text proposed by the Commission*

(8) Constrained by the milk quota ceilings, total Community milk production is projected to follow a gradual, though modest decline over the medium term as continued restructuring in the Member States which were not members of the Community before the 2004 enlargement would lead to a decline in subsistence milk production, while production growth remains limited due to the existence of quotas. At the same time the rate of milk delivered to dairies for processing is foreseen to continue expanding over the projection period. In the light of strong internal and external demand, the milk quota system is hence now restricting production expansion, as opposed to the situation when quotas were introduced as a response to overproduction. In such a market situation, quotas reduce market orientation because they distort farmers' response to price signals, and prevent efficiency gains in the sector by slowing down restructuring. ***They are scheduled to end in 2015, in order to effect the appropriate adjustments by degrees.*** In this perspective, the phasing-out of dairy quotas by annual increases as provided for in Annex I to this Regulation (***of 1% per marketing year from 2009/10 to 2013/14***) would ***allow for*** a smooth transition by avoiding an excessive adjustment after the end of quotas.

#### *Amendment*

(8) Constrained by the ***national*** milk quota ceilings, total Community milk production is projected to follow a gradual, though modest decline over the medium term as continued restructuring in the Member States which were not members of the Community before the 2004 enlargement would lead to a decline in subsistence milk production, while production growth remains limited due to the existence of ***national*** quotas. At the same time the rate of milk delivered to dairies for processing is foreseen to continue expanding over the projection period. In the light of strong internal and external demand, the ***current*** milk quota system is hence now restricting production expansion, as opposed to the situation when quotas were introduced as a response to overproduction. In such a market situation, quotas reduce market orientation because they distort farmers' response to price signals, and prevent efficiency gains in the sector by slowing down restructuring. ***The current milk quota system will end in 2015.*** In this perspective, the phasing-out of dairy quotas by annual increases as provided for in Annex I to this Regulation (***of 2% for marketing year 2008/09 and 1% per marketing year for 2009/10 and 2010/11***) would ***facilitate*** a smooth transition by avoiding an excessive adjustment after the end of quotas.

Or. en

#### *Justification*

*EU-wide a situation of under-usage of milk quotas appears. The figures for the 2006/07 quota*

year show a net under-usage of 1.9 million tonnes at EU-level, with 18 out of 27 Member States producing below their national quotas. Provisional figures for 2007/08 show a similar situation. The draftsman proposes, additionally to the already agreed 2% increase for 2008/09, to support the 1% increase of milk quota for the marketing years 2009/10 and 2010/11. The draftsman wants to reassess the market situation for the subsequent quota years as milk market evolves rapidly.

## **Amendment 6**

### **Proposal for a regulation – amending act Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8a) There exists a net under-usage of the milk quota at EU level.***

Or. en

#### *Justification*

*EU-wide a situation of under-usage of milk quotas appears. The figures for the 2006/07 quota year show a net under-usage of 1.9 million tonnes at EU-level, with 18 out of 27 Member States producing below their national quotas. The European Commission is expecting for the current quota year 2007/08 (exact figures only available in September 2008) an under-usage of 3 million tonnes.*

## **Amendment 7**

### **Proposal for a regulation – amending act Recital 13**

*Text proposed by the Commission*

*Amendment*

(13) As was the case in the common agricultural policy reform of 2003, to enhance the competitiveness of Community agriculture and to promote more market-oriented and sustainable agriculture, it is necessary to continue the shift from production support to producer support by abolishing the existing aids in

(13) As was the case in the common agricultural policy reform of 2003, to enhance the competitiveness of Community agriculture and to promote more market-oriented and sustainable agriculture, it is necessary to continue the shift from production support to producer support by abolishing the existing aids in

Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation) for **dried fodder**, flax, hemp and potato starch and integrating support for these products into the system of decoupled income support for each farm. As was the case for the 2003 CAP reform, while decoupling aid paid to farmers will leave the actual amounts paid unchanged, it will significantly increase the effectiveness of the income aid.

Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation) for flax, hemp and potato starch and integrating support for these products into the system of decoupled income support for each farm. As was the case for the 2003 CAP reform, while decoupling aid paid to farmers will leave the actual amounts paid unchanged, it will significantly increase the effectiveness of the income aid.

Or. fr

## **Amendment 8**

### **Proposal for a regulation – amending act Recital 14**

*Text proposed by the Commission*

**(14) The Council decided in 2000 to phase out the aid for short flax and hemp fibre. This decision was implemented with effect from the 2009/10 marketing year by the amendments made to the single CMO by Regulation (EC) No 247/2008<sup>1</sup>, as was the phasing out of the additional processing aid for processors of flax grown in traditional areas. Aid for long flax fibre should be decoupled. However in order to allow the industry to adapt, half of the shift to the single payment scheme should take place in 2011 and the remaining part in 2013.**

*Amendment*

**(14) The report from the Commission to the European Parliament and the Council on the flax and hemp sector (COM(2008)0307) confirms the relevance and effectiveness of the processing aid for flax and hemp. The Commission confirms the very positive effects which flax and hemp cultivation have on protecting the environment and biodiversity, particularly by favouring crop rotation, on creating and maintaining jobs in areas in difficulty and on developing new industrial market outlets, particularly in biomaterials. Lastly, the Commission underlines the key issues at stake in any move to abolish the aid measure. The current aid measure should therefore be maintained at least until the 2012/2013 marketing year.**

Or. fr

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<sup>1</sup> OJ L 76, 19.3.2008, p. 1.

## Amendment 9

### Proposal for a regulation – amending act Recital 15

*Text proposed by the Commission*

*Amendment*

*(15) The dried fodder regime was reformed in 2003, when part of the aid was given to producers and decoupled. In the context of the overall orientation of the Health Check towards more market orientation, and the present outlook in feed markets, the transition to full decoupling for the entire sector should therefore be completed by decoupling the remaining aid to the industry. It should be possible to mitigate the effects of ending the payment of aid to processors by appropriate adjustments in the price paid to producers of the raw materials, who will themselves be receiving increased direct aid entitlements as a result of decoupling. The ending of the aid to processors is also justified in the light of the market situation and perspectives for protein crops as a whole. Given the fact that the sector has already been restructuring since the 2003 reform and the particular negative environmental impact that the production of dehydrated fodder has recently been found to generate, the aid should be decoupled although a short transitional period of two years should be provided for to allow the sector to adjust.*

*Deleted*

Or. fr

## Amendment 10

### Proposal for a regulation – amending act Recital 18

*Text proposed by the Commission*

*Amendment*

***(18) The provisions on exceptional market support measures related to animal diseases are to be dealt with in a horizontal provision on risk management, and so should be deleted from Regulation (EC) No 1234/2007.***

***Deleted***

Or. fr

## Amendment 11

### Proposal for a regulation – amending act Recital 18 a (new)

*Text proposed by the Commission*

*Amendment*

***(18a) Given the growing importance of effective risk management, Member States should be given the option to cover part of the crop insurance premiums paid by farmers or producer organisations or to provide financial compensation for certain economic losses linked to animal or plant diseases.***

Or. fr

## Amendment 12

### Proposal for a regulation – amending act Recital 19

*Text proposed by the Commission*

*Amendment*

***(19) Producer organisations can serve a *useful* role in grouping supply in sectors where there is an imbalance in***

***(19) While crop insurance or mutual funds can contribute to corrective risk management, this can be very costly in***

concentration of producers and purchasers. Member States should therefore be able to recognise producer organisations in all sectors.

*economic and social terms. Parallel efforts should therefore be made to develop preventive risk management instruments. Producer organisations and interbranch organisations can serve an important role in this preventive risk management, particularly by grouping supply in sectors where there is an imbalance in concentration of producers and purchasers or by improving knowledge of the markets.* Member States should therefore be able to recognise producer organisations *and professional organisations* in all sectors.

Or. fr

#### *Justification*

*Prevention must become a priority objective in crisis management, since an approach geared purely to dealing with risks after they have occurred can be extremely costly in both economic and employment terms.*

#### **Amendment 13**

##### **Proposal for a regulation – amending act Recital 20 a (new)**

*Text proposed by the Commission*

*Amendment*

*(20a) Advantage should be taken of the current economic situation to send a positive signal in particular to the developing countries which have long been calling for the abolition of the export support put in place by most developed countries which export cereals.*

Or. fr

## Amendment 14

### Proposal for a regulation – amending act

#### Article 4 - point 2 - point b

Regulation (EC) No 1234/2007

Article 10 – paragraph 2

*Text proposed by the Commission*

*Amendment*

***(b) Paragraph 2 is deleted.***

***Deleted***

Or. fr

#### *Justification*

*Even if buying into intervention has not been used for many years for pigmeat, it is not sensible to abolish it altogether: on the one hand, there is always the risk of new diseases causing serious problems on the market and on the other hand, there is the completely new situation on the cereals market.*

## Amendment 15

### Proposal for a regulation – amending act

#### Article 4 - point 3

Regulation (EC) No 1234/2007

Part II - Title I - Chapter I – Section II – Subsection II – Article 11 – point a

*Text proposed by the Commission*

*Amendment*

(a) for cereals, from ***1 November*** to 31 May;

(a) for cereals, from ***1 March*** to 31 May;

Or. fr

#### *Justification*

*Rather than providing for a tendering system which could drag prices down, the intervention period should be changed so as to limit it to a few months before the end of the marketing year; this would allow the system genuinely to fulfil its function as a safety net whilst at the same time avoiding speculative gambling.*

## Amendment 16

### Proposal for a regulation – amending act

#### Article 4 – point 3

Regulation (EC) No 1234/2007

Part II - Title I - Chapter I – Section II – Subsection II – Article 11 – point c

*Text proposed by the Commission*

*Amendment*

(c) for beef and veal, throughout any marketing year;

(c) for beef and veal **and pigmeat**, throughout any marketing year;

Or. fr

## Amendment 17

### Proposal for a regulation – amending act

#### Article 4 – point 3

Regulation (EC) No 1234/2007

Part II - Title I - Chapter I – Section II – Subsection II – Article 12 – paragraph 1 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(b a) shall be opened for pigmeat by the Commission, without the assistance of the Committee referred to in Article 195(1), if the average market price for the meat of pig carcasses over a representative period, as established by reference to the prices recorded in each Member State on the representative markets of the Community and weighted by means of coefficients reflecting the relative size of the pig herd in each Member State, is, and is likely to remain, at less than 103 % of the reference price.***

Or. fr



## **Amendment 18**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 3**

Regulation (EC) No 1234/2007

Part II - Title I - Chapter I – Section II – Subsection II – Article 13 – paragraph 1 – point d a (new)

*Text proposed by the Commission*

*Amendment*

***(d a) for pigmeat, 0 tonnes for the period referred to in Article 11(a).***

Or. fr

#### *Justification*

*If intervention for pigmeat is re-established, it should be set at 0 tonnes, which would make it a safety net without budgetary impact as long as the situation in the sector remains normal.*

## **Amendment 19**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 4**

Regulation (EC) No 1234/2007

Part II - Title I - Chapter I – Section II – Subsection III – Article 18

*Text proposed by the Commission*

*Amendment*

***4) Subsection III of Section II of Chapter I of Title I of Part II is replaced by the following:***

***Deleted***

#### ***SUBSECTION III INTERVENTION PRICES***

##### ***Article 18 Intervention prices***

***1. The intervention prices and the quantities accepted for intervention for the products referred to in Article 10(a), (d), (e) and (f) shall be determined by the Commission by means of tendering procedures. In special circumstances, tendering procedures may be restricted to, or the intervention prices and the***

*quantities accepted for intervention may be fixed per, Member State or per region of a Member State on the basis of recorded average market prices.*

*2. The intervention price determined in accordance with paragraph 1 shall not be higher:*

*(a) for cereals, than the respective reference prices;*

*(b) for beef, than the average market price recorded in a Member State or a region of a Member State increased by an amount to be determined by the Commission on the basis of objective criteria;*

*(c) for butter, than 90% of the reference price;*

*(d) for skimmed milk powder, than the reference price.*

*3. The intervention price for sugar shall be 80% of the reference price fixed for the marketing year following the marketing year during which the offer is lodged.*

*However, if the quality of the sugar offered to the paying agency differs from the standard quality defined in point B of Annex IV for which the reference price is fixed, the intervention price shall be increased or reduced accordingly."*

Or. fr

#### *Justification*

*A generalised tendering system would run the risk of having an adverse effect on prices and thus significant negative implications.*

#### **Amendment 20**

**Proposal for a regulation – amending act**  
**Article 4 – point 6 - point a - point -i (new)**  
Regulation (EC) No 1234/2007  
Article 31 – paragraph 1 - point c

*Text proposed by the Commission*

*Amendment*

**- i) Point c is replaced by the following:**

***"(c) fresh or chilled meat of bovine animals up to a maximum age of 12 months in accordance with the definition and the classification of Annex XIa and of adult bovines, presented in the form of carcasses, half-carcasses, compensated quarters, forequarters or hindquarters, classified in accordance with the Community scale for the classification of carcasses of adult bovine animals provided for in Article 42(1);"***

Or. fr

*Justification*

*Veal is not eligible for private storage even though it is subject to the same unpredictable circumstances as other types of meat. In so far as this meat has henceforth been identified and its traceability is ensured, it is no longer justified to exclude it.*

## **Amendment 21**

**Proposal for a regulation – amending act**

**Article 4 – point 10**

Regulation (EC) No 1234/2007

Article 43 – point a

*Text proposed by the Commission*

*Amendment*

(a) the requirements and conditions to be met by products to be bought into public intervention as referred to in Article 10 or for which aid for private storage is granted as referred to in Article 31, in particular with respect to quality, quality groups, quality grades, categories, quantities, packaging including labelling, maximum ages, preservation, the stage of the

(a) the requirements and conditions to be met by products to be bought into public intervention as referred to in Article 10 or for which aid for private storage is granted as referred to in Article 31, ***and in the case of pigmeat, the list of these products***, in particular with respect to quality, quality groups, quality grades, categories, quantities, packaging including labelling,

products to which the intervention price relates, the duration of private storage;

maximum ages, preservation, the stage of the products to which the intervention price relates, the duration of private storage;

Or. fr

## **Amendment 22**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 11**

Regulation (EC) No 1234/2007

Article 44

*Text proposed by the Commission*

*Amendment*

**11) Article 44 is deleted.**

**Deleted**

Or. fr

#### *Justification*

*This provision has proved effective in devastating crisis situations, such as the outbreak of foot and mouth disease in 2001. Nevertheless, the Commission is seeking to delete it and justifies this deletion by introducing a mutual fund in the event of animal or plant diseases. Now this would be a complementary but not an identical measure. At a time when new and virulent animal diseases are appearing, such as bluetongue, Article 44 should be maintained as a precautionary measure.*

## **Amendment 23**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 12 – point a**

Regulation (EC) No 1234/2007

Article 46 – paragraph 1

*Text proposed by the Commission*

*Amendment*

**a) Paragraph 1 is replaced by the following:**

**Deleted**

***‘1. For the exceptional support measures referred to in Article 45, the Community shall provide part-financing equivalent to***

***50% of the expenditure borne by Member States.'***

Or. fr

## **Amendment 24**

### **Proposal for a regulation – amending act**

**Article 4 – point 14 a (new)**

Regulation (EC) No 1234/2007

**Article 78 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(14a) In Article 78 of Regulation (EC) No 1234/2007, the following paragraph 3a is added:***

***"3a. The overall revenue resulting from super-levy payments to the EU and savings related to the deletion of existing market measures in the field of milk should feed into a fund for helping the restructuring process of the EU dairy sector.***

***Measures financed by Article 68 [General rules] of Regulation (EC) No [...]/2008 [new direct payment Regulation] shall not be financed by this scheme."***

Or. en

### *Justification*

*The dairy sector is a sensitive sector. Money collected and saved by and in the dairy sector should be used for facilitating and restructuring this sector.*

## **Amendment 25**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 17**

Regulation (EC) No 1234/2007

Part II - Title I - Chapter IV – Section I – Subsection I

*Text proposed by the Commission*

*Amendment*

**17. Subsection I of Section I of Chapter IV of Title I of Part II is deleted.** **Deleted**

Or. fr

#### *Justification*

*For the reasons already given for the amendments to Regulation No 1782/2003, there are no grounds for abolishing these aid measures.*

## **Amendment 26**

### **Proposal for a regulation – amending act**

#### **Article 4 - point 18 a (new)**

Regulation (EC) No 1234/2007

Article 91 – paragraph 1 – second indent

*Text proposed by the Commission*

*Amendment*

**18 a In Article 91(1), the second subparagraph is replaced by the following:**

***"During the marketing years 2009/10 to 2012/13 aid shall also be granted under the same conditions for processing the straw of short flax and hemp grown for fibre."***

Or. fr

## Amendment 27

### Proposal for a regulation – amending act

#### Article 4 - point 19

Regulation (EC) No 1234/2007

Article 92 – paragraph 1

#### *Text proposed by the Commission*

"1. The amount of processing aid provided for in Article 91 shall be fixed ***for long flax fibre***:

a) ***EUR 200*** for the 2009/10 ***and 2010/11*** marketing years; ***and***

b) ***EUR 100*** for the ***2011/12 and 2012/13*** marketing years;"

#### *Amendment*

"1. The amount of processing aid provided for in Article 91 shall be fixed:

a) ***for long flax fibre: EUR 160*** for the 2009/10 ***to 2012/13*** marketing years;

b) ***for short flax fibre and hemp fibre containing not more than 7.5% impurities and shives: EUR 90 per tonne*** for the 2009/10 ***to 2012/13*** marketing years.

***However, the Member State may, with reference to traditional outlets, also decide to grant aid:***

***a) for short flax fibre containing a percentage of impurities and shives of between 7.5% and 15%;***

***b) for hemp fibre containing a percentage of impurities and shives of between 7.5% and 25%.***

***In the cases provided for in the second subparagraph, the Member State shall grant the aid in respect of a quantity which amounts to not more than the quantity produced, on the basis of 7.5% of impurities and shives."***

Or. fr

## **Amendment 28**

### **Proposal for a regulation – amending act**

#### **Article 4 - point 20 a (new)**

Regulation (EC) No 1234/2007

Article 94 – paragraph 1 a

*Text proposed by the Commission*

*Amendment*

***20 a) In Article 94, paragraph 1a is replaced by the following:***

***"1a. A maximum guaranteed quantity of 147 265 tonnes for each of the marketing years 2009/10 to 2012/13 shall be established for short flax fibre and hemp fibre in respect of which aid may be granted. That quantity shall be apportioned among certain Member States as national guaranteed quantities in accordance with point A.II. of Annex XI."***

Or. fr

## **Amendment 29**

### **Proposal for a regulation – amending act**

#### **Article 4 - point 20 b (new)**

Regulation (EC) No 1234/2007

Article 94 a

*Text proposed by the Commission*

*Amendment*

***20 b) Article 94a is replaced by the following:***

***"During the 2009/10 to 2012/13 marketing years, additional aid shall be granted to the authorised primary processor in respect of areas under flax in zones I and II as described in point A.III. of Annex XI and the straw production of which has been the subject of:***



*a) a sale/purchase contract or a commitment as referred to in Article 91(1); and*

*b) aid for processing into long fibre.*

*The amount of additional aid shall be EUR 120 per hectare in zone I and EUR 50 per hectare in zone II."*

Or. fr

### **Amendment 30**

#### **Proposal for a regulation – amending act**

#### **Article 4 - point 24**

Regulation (EC) No 1234/2007

Article 101

*Text proposed by the Commission*

24) Article 101 *is deleted.*

*Amendment*

24) Article *101 is replaced by the following:*

*"Article 101*

*Aid for the purchase of dairy products by non-profit making organisations*

*Under conditions to be determined by the Commission, when surpluses of milk products build up or are likely to occur, the Commission may decide that aid shall be granted to enable cream, butter and concentrated butter to be purchased at reduced prices by non-profit making organisations."*

Or. fr

#### *Justification*

*Whilst one can agree with the abolition of aid for commercial uses, it should be maintained, for social reasons, for non-profit making associations.*

## **Amendment 31**

### **Proposal for a regulation – amending act**

#### **Article 4 - point 26 a (new)**

Regulation (EC) No 1234/2007

Article 104 – paragraph 2

*Text proposed by the Commission*

*Amendment*

***26 a) In Article 104, paragraph 2 is replaced by the following:***

***"2. The fund shall be financed for the calendar years 2010, 2011 and 2012, in accordance with Article [...] [Tobacco aid] of Regulation (EC) No [...] /2008 [new direct payment Regulation]***

Or. fr...

*Justification*

*This is a consequence of the amendment to the direct payment Regulation adopted by the European Parliament in May.*

## **Amendment 32**

### **Proposal for a regulation – amending act**

#### **Article 4 – point 27 a (new)**

Regulation (EC) No 1234/2007

Chapter IV a (new)

*Text proposed by the Commission*

*Amendment*

***27a. Chapter IV is inserted in Part II, Title I:***

***'CHAPTER IVa***

***Risk-management***

***Section I***

***Crop Insurance***

## *Article 112a*

### *Crop Insurance*

*1. Member States may make a financial contribution to the payment of crop-insurance premiums covering damage caused by adverse climatic phenomena. For the purposes of this Article, 'adverse climatic phenomena' shall mean climatic phenomena comparable to a natural disaster (such as frost, hail, ice, rain or drought) which destroys over 30% of a given farmer's average annual production over the preceding three years or of his three-year average production based on the preceding five years and excluding the highest value and the lowest value.*

*2. That financial contribution shall be set at 60% of the insurance premium payable individually or - if appropriate - collectively, in cases where the insurance contract has been taken out by a producer organisation. Member States may decide to increase the contribution to 70% in the light of the climatic conditions or the situation of the sector concerned.*

*Member States may restrict the amount of the premium eligible for aid by imposing appropriate ceilings.*

*3. A crop-insurance payment shall be made only where the adverse climatic phenomenon has been acknowledged as such by the appropriate authority in the Member State concerned.*

*4. Insurance payments may not compensate for more than the total cost of replacing the losses referred to in paragraph 1 and they may not incorporate either a specification or requirements concerning the nature or the quantity of future production.*

*5. Any financial contribution shall be paid direct to the farmer concerned or - where appropriate - to the producer organisation which took out the contract on the basis*

*of the number of its members.*

*6. Member States' expenses relating to the payment of financial contributions shall be co-financed by the Community using the funds referred to in Article [...] [Support pursuant to the single COM] of Regulation (EC) No [...] /2008 [new regulation on direct payments], at a rate of 40% of the eligible amounts determined pursuant to paragraph 2 of this Article. In the case of the new Member States, however, the rate referred to in the first subparagraph shall be increased to 70 %. The provisions laid down in the first subparagraph shall not prejudice the Member States' right to cover all or part of their share of the financing of contributions by means of mandatory collective-liability schemes in the sectors concerned.*

*7. The financial contributions may not hamper the operation of the internal market in insurance services. Such contributions may not be restricted to the insurance policies offered by a single company or a single group of companies, any more than they may be made conditional upon the taking out of an insurance contract with a company established in the Member State concerned.*

## *Section II*

### *Mutual Fund in the event of animal and plant diseases Article 112b*

#### *Mutual Fund in the event of animal and plant diseases*

*1. Member States may make provision (by means of financial contributions to mutual funds) for the payment to farmers of compensation intended to cover economic losses stemming from the outbreak of an animal or plant disease. Such funds may be run by producer organisations and/or inter-branch*

*organisations pursuant to the terms and conditions laid down in Articles 122 and 123.*

*2. For the purposes of this Article:*

*a) 'mutual fund' shall mean a scheme recognised by the Member State under national law and enabling affiliated farmers to insure themselves against economic losses relating to the outbreak of an animal or plant disease; compensatory payments shall be made to them where appropriate;*

*b) 'economic losses' shall mean all additional costs borne by a farmer on account of the exceptional measures which he adopts in order to reduce supply to the market concerned or any significant loss of production. The costs in respect of which compensation may be granted pursuant to other Community provisions and those stemming from the application of any other health, veterinary or plant-health measure shall not be regarded as economic losses.*

*3. The mutual fund shall make compensatory payments direct to affiliated farmers who have suffered economic loss. The financial compensation paid by the mutual fund shall come from:*

*a) the social capital of the fund, as constituted by contributions from affiliated farmers, and/or*

*b) loans taken out by the fund under commercial terms and conditions.*

*The initial social capital may not be constituted by public funds.*

*4. The financial contributions referred to in paragraph 1 may apply to:*

*(a) the administrative costs relating to the establishment of the mutual fund and spread over a maximum period of three years;*

*(b) reimbursement of the capital and the interest relating to commercial loans taken out by the fund for the purpose of paying compensation to farmers;*

*(c) the amounts withdrawn from the social capital of the mutual fund for the purpose of paying compensation to farmers.*

*The minimum and maximum periods of the commercial loans eligible for aid shall be specified by the Commission in accordance with the procedure referred to in Article 195(1).*

*Where compensation is paid from the fund pursuant to point (c) of the first subparagraph, the public financial contribution shall have the same span as that of a minimum-period commercial loan.*

*5. No financial contribution shall exceed 60% of the costs referred to in paragraph*

*4. Member States may decide to increase that contribution to 70%, depending on the situation in the sector concerned.*

*Costs which are not covered by financial contributions shall be borne by the affiliated farmers.*

*Member States may restrict the costs eligible for aid by imposing:*

*a) ceilings on individual funds;*

*b) appropriate unitary ceilings.*

*6. Member States' expenditure relating to the financial contributions shall be co-financed by the Community from the funds referred to in Article [...] [Support pursuant to the single COM] of Regulation (EC) No [...] /2008 [new regulation on direct payments], at a rate of 40% of the admissible amounts determined pursuant to paragraph 4.*

*In the case of the new Member States, however, the rate referred to in the first subparagraph shall be increased to 70 %.*

*The provisions laid down in the first subparagraph shall not prejudice the Member States' right to cover all or part of their share of the financing of contributions by means of mandatory collective-liability schemes in the sectors concerned.*

*7. Member States shall lay down rules governing the establishment and operation of the mutual funds (with particular regard to the making of compensatory payments to farmers in the event of a crisis) and shall administer and monitor those rules.*

*8. Member States shall submit to the Commission an annual report on the implementation of this Article. The format, substance and timetable for that report and the deadline for submitting it shall be stipulated by the Commission in accordance with the procedure referred to in Article 195(1).*

Or. fr

### **Amendment 33**

#### **Proposal for a regulation – amending act**

**Article 4 – point 28 a (new)**

Regulation (EC) No 1234/2007

Article 122 – point c

*Text proposed by the Commission*

*Amendment*

*(28a) In Article 122, point (c) is replaced by the following text:*

*(c) pursue a specific aim which may in particular encompass (or, in the case of the fruit and vegetable sector, which shall encompass) one of the following objectives:*

*(i) to ensure preventive risk-management through the planning of production and the adaptation thereof to demand, particularly in terms of quantity and quality;*

*(ii) to improve the organisation of agricultural supply;*

*(iii) to concentrate supply and place its members' production on the market;*

*(iv) to optimise production costs and regularise producer prices.*

Or. fr

## Amendment 34

### Proposal for a regulation – amending act

#### Article 4 – point 29 a (new)

Regulation (EC) No 1234/2007

Article 123 – paragraph 1 – point c

*Text proposed by the Commission*

*Amendment*

***(29a) In Article 123(1), point (c) is replaced by the following text:***

***(c) pursue a specific aim, which may in particular relate to:***

***(i) ensuring preventive risk-management through improved knowledge of the markets, in particular by means of a statistical analysis of supply and demand and the establishment of databases for use by those working in the sector;***

***(ii) concentrating and coordinating supply and marketing producer members' products, in particular by defining and promoting contractual procedures;***

***(iii) adapting production and processing jointly to the requirements of the market and improving the product;***

***(iv) promoting the rationalisation and improvement of production and processing;***

***(v) coordinating information and distributing it amongst all players in the sector, in particular through the transfer of knowledge concerning the technical choices (collective or individual) which may reduce risk;***

***(vii) carrying out research into sustainable production methods and market developments;***

***(viii) promoting quality-related innovation and product safety;***

***(ix) encouraging the protection of the environment, in particular through the collection of plastic used in agriculture (ensilage sheeting, wrapping film) and***



*veterinary waste, the management of livestock effluent and the implementation of strategies for coping with climate change;*  
*(x) providing information on and promoting products;*  
*(xi) promoting better knowledge of trades within the sector.*

Or. fr

## **Amendment 35**

### **Proposal for a regulation – amending act**

#### **Article 4 - point 29 b (new)**

Regulation (EC) No 1234/2007

Article 123 - paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***29 b) In Article 123, the following paragraph 3a is added:***

***"3a. The Member States may also recognise the interbranch organisations, formed on the initiative of all or some of the organisations or associations which constitute them, of any sector referred to in Article 1, except for those in the sectors referred to in point (a) of the first paragraph, in accordance with the conditions laid down in points (b) and (c) of that paragraph."***

Or. fr

### *Justification*

*The structure of agricultural supply has always been based on market regulation instruments. In contrast, the organisation of production and the development of relations within different branches have evolved very differently in different Member States or for different products. The Commission is proposing that the Member States be able to recognise producer organisations in all sectors; this proposal should be extended to include interbranch organisations.*

## Amendment 36

### Proposal for a regulation – amending act

#### Article 4 - point 30 a (new)

Regulation (EC) No 1234/2007

Article 162 - paragraph 1 – point a – point i

*Text proposed by the Commission*

*Amendment*

**30 a) In Article 162(1)(a), point i) is deleted.\***

**\* The articles and annexes of Regulation No 1234/2007 must be adapted as a result.**

Or. fr

### *Justification*

*EU export refunds have always provoked strong criticism from developing countries. Given the current economic situation, it seems a good moment to abolish them now for cereals and for rice, all the more so since the Commission has already planned, in the framework of the Doha talks, to propose abolishing these export refunds.*

## Amendment 37

### Proposal for a regulation – amending act

#### Article 4 - point 30 b (new)

Regulation (EC) No 1234/2007

Article 162 - paragraph 1 – point a – point ii

*Text proposed by the Commission*

*Amendment*

..

**30 b) In Article 162(1)(a), point ii) is deleted.\***

**\* The articles and annexes of Regulation No 1234/2007 must be adapted as a result.**

Or. fr

### *Justification*

*EU export refunds have always provoked strong criticism from developing countries. Given the current economic situation, it seems a good moment to abolish them now for cereals and for rice, all the more so since the Commission has already planned, in the framework of the Doha talks, to propose abolishing these export refunds.*

## Amendment 38

### Proposal for a regulation – amending act

#### Article 4 - point 32

Regulation (EC) No 1234/2007

Article 184

#### *Text proposed by the Commission*

5. before **30 June 2011** to the European Parliament and Council ***on the conditions for smoothly phasing out the milk quota system, including, in particular, possible further increases in quotas or possible reductions in the superlevy.***

#### *Amendment*

5. before **31 December 2010** to the European Parliament and Council ***on the milk-market situation. The report shall be accompanied, if necessary, by appropriate proposals.***

Or. en

#### *Justification*

*It is proposed to request the Commission to report at an earlier date. The draftsman agrees with the proposed increase of 1% of milk quota for the marketing years 2009/10 and 2010/11 but wants to reassess the market situation for the subsequent quota years as the milk market evolves rapidly.*

## Amendment 39

### Proposal for a regulation – amending act

#### Annex I

#### *Text proposed by the Commission*

État membre	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Belgique	3 427 288,740	3 461 561,627	3 496 177,244	3 531 139,016	3 566 450,406	3 602 114,910	3 602 114,910
Bulgarie	998 580,000	1 008 565,800	1 018 651,458	1 028 837,973	1 039 126,352	1 049 517,616	1 049 517,616
République tchèque	2 792 689,620	2 820 616,516	2 848 822,681	2 877 310,908	2 906 084,017	2 935 144,857	2 935 144,857
Danemark	4 612 619,520	4 658 745,715	4 705 333,172	4 752 386,504	4 799 910,369	4 847 909,473	4 847 909,473
Allemagne	28 847 420,391	29 135 894,595	29 427 253,541	29 721 526,076	30 018 741,337	30 318 928,750	30 318 928,750
Estonie	659 295,360	665 888,314	672 547,197	679 272,669	686 065,395	692 926,049	692 926,049
Irlande	5 503 679,280	5 558 716,073	5 614 303,234	5 670 446,266	5 727 150,729	5 784 422,236	5 784 422,236
Grèce	836 923,260	845 292,493	853 745,418	862 282,872	870 905,700	879 614,757	879 614,757
Espagne	6 239 289,000	6 301 681,890	6 364 698,709	6 428 345,696	6 492 629,153	6 557 555,445	6 557 555,445
France	25 091 321,700	25 342 234,917	25 595 657,266	25 851 613,839	26 110 129,977	26 371 231,277	26 371 231,277
Italie	10 740 661,200	10 848 067,812	10 956 548,490	11 066 113,975	11 176 775,115	11 288 542,866	11 288 542,866
Chypre	148 104,000	149 585,040	151 080,890	152 591,699	154 117,616	155 658,792	155 658,792
Lettonie	743 220,960	750 653,170	758 159,701	765 741,298	773 398,711	781 132,698	781 132,698

Lituanie	1 738 935,780	1 756 325,138	1 773 888,389	<b>1 791 627,273</b>	<b>1 809 543,546</b>	<b>1 827 638,981</b>	<b>1 827 638,981</b>
Luxembourg	278 545,680	281 331,137	284 144,448	<b>286 985,893</b>	<b>289 855,752</b>	<b>292 754,310</b>	<b>292 754,310</b>
Hongrie	2 029 861,200	2 050 159,812	2 070 661,410	<b>2 091 368,024</b>	<b>2 112 281,704</b>	<b>2 133 404,521</b>	<b>2 133 404,521</b>
Malte	49 671,960	50 168,680	50 670,366	<b>51 177,070</b>	<b>51 688,841</b>	<b>52 205,729</b>	<b>52 205,729</b>
Pays-Bas	11 465 630,280	11 580 286,583	11 696 089,449	<b>11 813 050,343</b>	<b>11 931 180,847</b>	<b>12 050 492,655</b>	<b>12 050 492,655</b>
Autriche	2 847 478,469	2 875 953,254	2 904 712,786	<b>2 933 759,914</b>	<b>2 963 097,513</b>	<b>2 992 728,488</b>	<b>2 992 728,488</b>
Pologne	9 567 745,860	9 663 423,319	9 760 057,552	<b>9 857 658,127</b>	<b>9 956 234,709</b>	<b>10 055 797,056</b>	<b>10 055 797,056</b>
Portugal	1 987 521,000	2 007 396,210	2 027 470,172	<b>2 047 744,874</b>	<b>2 068 222,323</b>	<b>2 088 904,546</b>	<b>2 088 904,546</b>
Roumanie	3 118 140,000	3 149 321,400	3 180 814,614	<b>3 212 622,760</b>	<b>3 244 748,988</b>	<b>3 277 196,478</b>	<b>3 277 196,478</b>
Slovénie	588 170,760	594 052,468	599 992,992	<b>605 992,922</b>	<b>612 052,851</b>	<b>618 173,380</b>	<b>618 173,380</b>
Slovaquie	1 061 603,760	1 072 219,798	1 082 941,996	<b>1 093 771,416</b>	<b>1 104 709,130</b>	<b>1 115 756,221</b>	<b>1 115 756,221</b>
Finlande	2 491 930,710	2 516 850,017	2 542 018,517	<b>2 567 438,702</b>	<b>2 593 113,089</b>	<b>2 619 044,220</b>	<b>2 619 044,220</b>
Suède	3 419 595,900	3 453 791,859	3 488 329,778	<b>3 523 213,075</b>	<b>3 558 445,206</b>	<b>3 594 029,658</b>	<b>3 594 029,658</b>
Royaume-Uni	15 125 168,940	15 276 420,629	15 429 184,836	<b>15 583 476,684</b>	<b>15 739 311,451</b>	<b>15 896 704,566</b>	<b>15 896 704,566</b>

<i>Amendment by Parliament</i>			
État membre	2008/09	2009/10	2010/11
Belgique	3 427 288,740	3 461 561,627	3 496 177,244
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Slovaquie	1 061 603,760	1 072 219,798	1 082 941,996
Finlande	2 491 930,710	2 516 850,017	2 542 018,517
Suède	3 419 595,900	3 453 791,859	3 488 329,778
Royaume-Uni	15 125 168,940	15 276 420,629	15 429 184,836

Or. en

### *Justification*

*Annex I contains the National quotas for milk: quantities (tonnes) per Member State. Annex I is linked to Article 4, point (14) of this Regulation and Articles 55 (1) and 65 of Regulation*

*(EC) No 1234/2007. The draftsman proposes, additionally to the already agreed 2% increase for 2008/09, to support the 1% increase of milk quota for the marketing years 2009/10 and 2010/11. The draftsman wants to reassess the market situation for the subsequent quota years as the milk market evolves rapidly.*